

Message Text

UNCLASSIFIED

PAGE 01 LA PAZ 06542 182127Z

ACTION INT-05

INFO OCT-01 ARA-14 ISO-00 FEA-01 ERDA-07 AID-05 CEA-01

CIAE-00 COME-00 DODE-00 EB-08 FPC-01 H-02 INR-07

L-03 NSAE-00 NSC-05 OMB-01 PM-05 USIA-15 OES-07

SP-02 SS-15 STR-04 TRSE-00 ACDA-10 /119 W

-----089276 190401Z /12

R 182042Z AUG 77

FM AMEMBASSY LA PAZ

TO SECSTATE WASHDC 6746

INFO AMEMBASSY BUENOS AIRES

UNCLAS LA PAZ 6542

FOR: DEPT OF INTERIOR, BUREAU OF MINES

EO 11652: NA

TAGS: ENRG, EMIN, BL, ARG

SUBJ: HIGHER PRICES FOR BOLIVIAN NATURAL GAS TO BE PAID BY
ARGENTINA

1. GOB HAS RECENTLY SIGNED IN BUENOS AIRES, ARGENTINA, A NEW PRICE AGREEMENT FOR NATURAL GAS SOLD TO ARGENTINA THROUGH THE SANTA CRUZ-YACUIBA GAS-LINE. THE NEW PRICE IS \$0.98 FOR A THOUSAND CUBIC FEET (MCF) OF DRY GAS, AN INCREASE OF FIVE CENTS ON THE OLD PRICE AGREED TO IN JANUARY, 1977. THE NEW PRICE WILL BE PAID ON DELIVERIES STARTED ON JULY 1, 1977.

2. A NEW PRICE SCALE FOR FUTURE SALES WAS ALSO AGREED TO AND THE \$0.98 PER MCF OF DRY GAS WILL BE RAISED TO \$1.05 PER MCF IN OCTOBER, 1977, \$1.10 IN JANUARY, 1978 AND \$1.20 IN APRIL, 1978. THESE PRICES APPLY TO DRG GAS BUT PREMIUMS FOR CONDENSATES AND NATURAL GASOLINE INCREASE GAS VALUE SOLD TO: \$1.156 ON THE \$0.98 CURRENT NEW PRICE AND TO \$1.239 ON THE FUTURE OCTOBER PRICE AND TO \$1.298 ON THE FUTURE JANUARY PRICE AND TO \$1.416 ON THE FUTURE APRIL PRICE.

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3. COMMENT: THE RAISE OF 5 CENTS PER MCF OF NATURAL GAS WILL PERMIT GOB TO RECEIVE AN EXTRA \$10 MILLION IN ITS EXPORT EARNINGS. GAS EXPORT VALUE TOTALED \$55.5 MILLION IN 1976. ARGENTINA STATED AT THE BEGINNING OF THE PRESENT ROUND OF PRICE NEGOTIATIONS THAT NO RAISE WAS GOING TO BE CONSIDERED. THIS WAS ALL CHANGED AFTER NEGOTIATIONS BROKE DOWN AND THE BOLIVIAN MINISTER OF FINANCE CONTACTED THE ARGENTINE MINISTER

OF ECONOMY.
BEAL

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NATURAL GAS, PRICES
Control Number: n/a
Copy: SINGLE
Sent Date: 18-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LAPAZ06542
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Document Unique ID: 00
Drafter: n/a
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Executive Order: N/A
Errors: N/A
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Film Number: D770299-0606
Format: TEL
From: LA PAZ
Handling Restrictions: n/a
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Legacy Key: link1977/newtext/t19770849/aaaabpkg.tel
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Review Date: 06-Jan-2005 12:00:00 am
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Review Exemptions: n/a
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Review Release Date: n/a
Review Release Event: n/a
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Review Withdrawn Fields: n/a
SAS ID: 1564209
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Subject: HIGHER PRICES FOR BOLIVIAN NATURAL GAS TO BE PAID BY ARGENTINA
TAGS: ENRG, EMIN, ETRD, BL, AR
To: STATE
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